

Oral Presentation

**Statement of Brian Blackwell
On Behalf of the Western Pistachio Association
BEFORE THE U.S. INTERNATIONAL TRADE COMMISSION
INVESTIGATION NO. 332-504
Effects of Tariffs and Nontariff Measures on U.S. Agricultural
Exports
by the Government of India**

Introduction

Chairwoman Aranoff, Commissioners and staff, thank you very much for providing me with this opportunity to present the views of the Western Pistachio Association on this important topic. I am Brian Blackwell, President of Blackwell Farming Company and Vice Chairman of the Western Pistachio Association. In addition, I am Chairman of the Administrative Committee for Pistachios (ACP), a USDA federal marketing order. Joining me today is Bill Leonard, Adduci, Mastriani & Schaumberg, L.L.P.

In addition to the statement that you have in front of you, I have brought with me copies of the WPA 2008-2009 annual report and our 2008 World Pistachio Trade Report.

The specific issue of concern for the U.S. pistachio industry is India's high tariff on pistachios, currently an applied rate of 30 percent *ad valorem*. This tariff prevents the U.S. industry from having full access to the Indian market.

We have provided the Commission's secretary with samples of pistachios so you will understand what is being marketed

Western Pistachio Association

The Western Pistachio Association is a trade association representing pistachio growers throughout the western United States. The WPA is a grower led organization, with oversight provided by a board of 18 directors. The WPA is now serving as the sole pistachio grower member trade association whose directors are elected by pistachio growers.

The WPA programs are the following: trade barrier removal, nutrition research, nutrition promotion, governmental affairs, and defense of existing unfair trade orders.

In addition to the WPA, there are two other democratically administered transparent organizations servicing grower and processor requirements.

The Administrative Committee for Pistachios has the mission of aflatoxin¹ food safety testing for the domestic market. The California Pistachio Board has the mission of aflatoxin food safety testing for export markets. The recent disclosure and recall of pistachios because of salmonella has these two quasi government organizations, together with FDA, reviewing the food safety procedures for the purpose of incorporating mandatory sampling and testing in their programs for salmonella and other micro-contaminants in order to provide a ready-to-eat product.

Pistachio Industry

There are approximately 700 U.S. pistachio growers. Growers vary in size from 4 acres to several thousand acres. On the processor side, there are approximately 14 processors in the U.S. However, seven of the processors process 95 percent of the U.S. crop. Our pistachios are sold either raw or roasted as an in-shell product or as kernels (shells removed).

U.S. Pistachio Exports and Objectives

The industry has worked closely with the U.S. federal government's trade offices to remove tariffs and non tariff barriers. In all of the Free Trade Agreements since the 1984 Israeli FTA, USDA and USTR have secured a zero pistachio duty, except for Costa Rica which has a five year phase out.

The WPA is proud of the industry's active trade accomplishments. However, our work is not complete. The WPA would like to increase our exports.

World Pistachio Production

U.S. production, averaged over a period of years, is approximately fifty percent of the Iranian production. The major differences between U.S. and Iranian pistachios are quality and price and the problem of aflatoxin.

In addition to the U.S. and Iran, Turkey and Syria are the other two major producers of pistachios. It is important to note, however, that in terms of snack foods, the Islamic Republic of Iran and the United States are essentially the only two producers of pistachios for the snack food market. Turkey and Syria are significant pistachio producing countries, but their pistachios are not marketed as snack foods in the developed world markets as they are used largely as ingredients.

Indian Pistachio Consumption

India is no stranger to pistachio consumption. To the west of India lies Iran, the world's largest producer of pistachios. Historically India relied on Iran and Afghanistan for its supply of pistachios. The proximity of Afghanistan and Iran to India makes for strong competition. In addition, the India/Afghanistan Free Trade Agreement makes the applied 30 percent *ad valorem* tariff on U.S. pistachios difficult for us to compete against Iranian and Afghan pistachios.

¹ **Aflatoxins** are naturally occurring mycotoxins that are produced by many species of Aspergillus, a fungus, most notably Aspergillus flavus and Aspergillus parasiticus. Aflatoxins are toxic and among the most carcinogenic substances known.

The size of India's middle income population is impressive. The middle income Indian consumer is well educated and understands nutrition. In addition, pistachios are a holiday food that is enjoyed by all ethnic and religious groups in India.

Pistachio Competition in India

The major differences between U.S. and Iranian pistachios are quality, price and the problem of aflatoxin. Over the years we have learned it is very difficult to compete against Iranian pistachios. Iranian pistachios are extremely price competitive for several reasons. Labor, fertilizer, gasoline and other production costs are extremely low and subsidized by the Islamic Republic of Iran. How do we compete? We compete on quality.

We cannot verify there is any commercial production of pistachios in India.

Sanitary and Phytosanitary Measures

Our pistachio shipments have not experienced any unusual border procedures. Obtaining a phytosanitary certificate is done in the county where the pistachios are processed. Attached is a copy of the certificate and the GOI requirements provided to the country (Attachment I).

Registration of Trademarks

Our exporters ship in containers that require labeling. The company's name is protected in the U.S. and should be protected in India. Very briefly, applications for registration of trademarks are received at the Head office and its branches according to territorial jurisdiction.

Our review of the Indian trademark proceedings finds the process to be fair and transparent.

Low Tariffs Increase Government Revenue, Private Investment and Employment

Over the last few years, we have communicated with the Government of India prior to its decision process for the new budget. We have provided what we believe to be a very convincing recommendation for a significant lowering of the pistachio tariff. Using our pistachio export experiences in other countries that had high tariffs, we demonstrated the increase in revenue to the importing country, the increase in private investment and the increase in local employment.

Our presentations have not been ignored. We are told by GOI that pistachios are on a priority list to have the tariff lowered in the Doha Development Agenda Round.

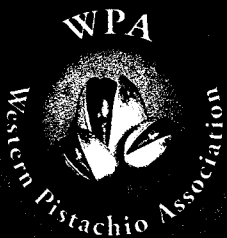
Conclusion

In closing, I would like to leave you with the following key points:

- India's high tariff is the major impediment
- The U.S. has a dependable export supply of pistachios
- The pistachio industry urges our country to move forward and complete the Doha Round. Opportunities for a meaningful reduction in the pistachio tariff can be made through a completed Doha Round or through U.S.-India bilateral negotiations.

With reference to the questions asked by Senators Baucus and Grassley, except for the high pistachio tariff, we have not experienced any trade impediments. However, since the Senate Committee of Finance is the committee of jurisdiction for trade negotiations, please include in your Section 332 report that the proposed Doha tariff 30 percent reductions for developing countries will not be sufficient for U.S. pistachios.

Thank you and I look forward to answering any questions you may have.



Western Pistachio Association

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**Effects of Tariffs and Nontariff Measures on U.S. Agricultural Exports
by the Government of India**

Introduction

Chairwoman Aranoff, Commissioners and staff, thank you very much for providing me with this opportunity to present the views of the Western Pistachio Association on this important topic – the Effects of Tariffs and Nontariff Measures on U.S. Agricultural Exports to India. I am Brian Blackwell, President of Blackwell Farming Company and Chairman, Government Affairs Committee, WPA. In addition, I am Chairman of the Administrative Committee for Pistachios (ACP), a USDA federal marketing order. Blackwell Farming Company owns and manages pistachio acreage. In addition to the production of pistachios, I also manage the largest pistachio tree nursery in the U.S.

The specific issue of concern for the U.S. pistachio industry is India's high tariff on pistachios, currently an applied rate of 30 percent *ad valorem*. This tariff prevents the U.S. industry from having full access to the Indian market. (See Attachment A - India pistachio import trade). Compared to other large population countries, India's consumption of pistachios is one of the lowest per capita.

We have provided the Commission's secretary with samples of pistachios so you will understand what is being marketed. Also, attached to this statement (Attachment B) is a sheet containing pictures of Iranian, Turkish and Californian pistachios. The pictures of the U.S. pistachios show the pistachios that U.S. exporters would, if given the opportunity, send to India. "It should be stated that a very small quantity of U.S. pistachios are currently being exported to India."

Western Pistachio Association

The Western Pistachio Association is a trade association representing pistachio growers throughout the western United States. The WPA is a grower led organization, with oversight provided by a board of directors (18 total). Attachment C is the Association's Board of Directors who reside in Arizona, California and New Mexico. These Directors are elected by the Association's membership and serve three-year terms. The WPA is a voluntary association whose predecessor, the California Pistachio Association which was created in 1980, was incorporated in 1989 to serve growers in other pistachio producing states. Until 2007, the WPA had worked in conjunction with the California Pistachio Commission - a quasi-state government grower organization funded by mandatory grower assessments - but the CPC was terminated through a grower referendum. The WPA is now serving as the sole pistachio grower-member trade association whose directors are elected by pistachio growers.

The WPA programs are the following: trade barrier removal, nutrition research, nutrition promotion, governmental affairs, and defense of existing unfair trade orders.

In addition to the WPA, there are four other democratically administered transparent organizations servicing grower and processor requirements:

- 1) The California Pistachio Board
- 2) The California Pistachio Export Council
- 3) The Administrative Committee for Pistachios
- 4) The California Pistachio Research Board

It is important for me to describe two of the above pistachio organizations. The Administrative Committee for Pistachios has the mission of aflatoxin¹ food safety testing for the domestic market. The California Pistachio Board has the mission of aflatoxin food safety testing for export markets. The recent disclosure and recall of pistachios because of salmonella have these two quasi-government organizations reviewing the food safety procedures for the purpose of incorporating mandatory sampling and testing in their programs for salmonella and other micro-contaminants in order to provide a ready-to-eat product.

U.S. Pistachio Industry

The U.S. is the world's second leading producer of pistachios - behind the Islamic Republic of Iran. 98% of the U.S. production is in California, with the remaining 2% in Arizona and New Mexico.

U.S. pistachio growers had a harvest of approximately 284 million pounds in 2008 (a September-August fiscal year). Arizona's production was slightly more than 5 million pounds. It takes six

¹ Aflatoxins are naturally occurring mycotoxins that are produced by many species of *Aspergillus*, a fungus, most notably *Aspergillus flavus* and *Aspergillus parasiticus*. Aflatoxins are toxic and among the most carcinogenic substances known.

years for trees to begin producing a commercial crop and about 12 years for a tree to reach its peak potential, so production should continue to grow substantially for the foreseeable future.

There are some 700 U.S. pistachio growers. Growers vary in size from 4 acres to several thousand acres. On the processor side, there are approximately 14 processors in the U.S. However, seven of the processors process 95 percent of the U.S. crop. Our pistachios are sold either raw or roasted as an in-shell product or as kernels (shells removed).

U.S. Pistachio Exports and Objectives

Since 1981 when the California Pistachio Commission first started to remove Japan's pistachio tariff, our industry has been working with USDA and USTR to reduce and eliminate pistachio tariffs throughout the world. It was always understood that exports would be the key to the industry's growth. The industry has worked closely with the U.S. federal government's trade offices to remove tariffs and non tariff barriers. In all of the Free Trade Agreements since the 1984 Israeli FTA, USDA and USTR have secured a zero pistachio duty, except for Costa Rica which has a five-year phase out.

In the Uruguay Round we received a fifty percent reduction in the European tariff. In addition, the EC enlargement was a bonus for the U.S. industry since many of the new EC countries had tariffs higher than the EC tariff.

The WPA is proud of the industry's active trade accomplishments (See Attachment D). However, our work is not complete. The WPA needs to increase our exports.

While we were successful in having the duty reduced from 34% to 30% several years ago, we continue to work to reduce the tariff when India considers its budget each year.

World Pistachio Production

U.S. production, averaged over a period of years, is approximately fifty percent of the Iranian production. (See Attachment E - *World Pistachio Production*). The major differences between U.S. and Iranian pistachios are quality and price and the problem of aflatoxin. Except for price, and 2009 may be an exception because of Iran's freeze, WPA believes U.S. pistachio growers can compete against the Iranian pistachio in any market.

In addition to the U.S. and Iran, Turkey and Syria are the other two major producers of pistachios. It is important to note, however, that in terms of snack foods, the Islamic Republic of Iran and the United States are essentially the only two producers of pistachios for the snack food market. Turkey and Syria are significant pistachio producing countries, but their pistachios are not marketed as snack foods in the developed world markets as they are used largely as ingredients.

Indian Pistachio Market

Why is the Indian pistachio market important to the Western Pistachio Association members and the U.S. pistachio industry? Studies demonstrate India will be a great consumer of pistachios.

India is no stranger to pistachio consumption. To the west of India lies Iran, the world's largest producer of pistachios. Historically, India relied on Iran and Afghanistan for its supply of pistachios. The U.S. pistachio industry would receive requests for pistachios over the years. Perhaps the increased interest about U.S. pistachios was caused by several Indians who settled in the California in 1966. One of the California Indian families growing pistachios is among one of the largest pistachio growers, processors and exporters. As mentioned, the U.S. has competition in India. The proximity of Afghanistan and Iran to India and the India/Afghanistan Free Trade Agreement makes the applied 30 percent *ad valorem* tariff on U.S. pistachios difficult for us to compete against Iranian and Afghan pistachios.

The size of India's middle income population is impressive. The actual number can be debated, but in relation to other developing countries, it is the largest. The middle income Indian consumer is well educated and understands nutrition. Pistachios have been profiled as a nutritious snack food that benefits a person's diet. (Attachment F) In addition, pistachios are a holiday food that is enjoyed by all ethnic and religious groups in India.

Pistachio Competition in India

The major differences between U.S. and Iranian pistachios are quality, price and the problem of aflatoxin. Over the years we have learned it is very difficult to compete against Iranian pistachios. Iranian pistachios are extremely price competitive for several reasons. Labor, fertilizer, gasoline and other production costs are extremely low and subsidized by the Islamic Republic of Iran. How do we compete? We compete on quality.

The India-Afghanistan Free Trade Agreement is not regarded as real competition unless Iranian pistachios enter India labeled as Afghan pistachios. In such a case, we would need to focus on the possible Iran-Afghan origin labeling problem.

Recently it was published that India and Iran will open trade preference talks and it is logical to expect Iran to want favorable tariff treatment for their pistachios.

We cannot verify any commercial production of pistachios in India.

Several years ago we invited Indian importers to visit our production area. While in California they visited our production areas and processing plants. We believe an outreach program to the businesses in India responsible for the marketing of pistachio will give us an advantage over the other pistachio producing countries.

Sanitary and Phytosanitary Measures

Our pistachio shipments have not experienced any unusual border procedures. Obtaining a phytosanitary certificate is done in the country where the pistachios are processed. Attached is a copy of the certificate and the GOI requirements provided to the country (Attachment G).

Registration of Trademarks

Our exporters ship in containers that require labeling. The company's name is protected in the U.S. and should be protected in India. Applications for registration of trademarks are received at the Head office and its branches according to territorial jurisdiction. Applications are then examined mainly with regard to the distinctiveness, possibility of deceptiveness and conflicting trademarks. The registrar, on consideration of the application and any evidence of use or distinctiveness, decides whether the application should be accepted for registration or not, and if accepted, publishes the same in the official gazette, i.e., *Trade Marks Journal* (published in CD-Rom). Within a prescribed period, any person can file an opposition statement, a copy of which is served to the applicants who is required to file a counter statement within two months failing which the application shall be treated as abandoned.

Our review of the Indian trademark proceedings finds the process to be fair and transparent.
http://ipindia.nic.in/tmr_new/default.htm

Low Tariffs Increase Government Revenue, Private Investment and Employment

For the last four years we have communicated with the Government of India prior to its decision process for the new budget. We have provided what we believe to be a very convincing recommendation for the lowering of the pistachio tariff. Using our pistachio export experiences in other countries that had high tariffs, we demonstrated the increase in revenue to the importing country, the increase in private investment and the increase in local employment.

Our presentations have not been ignored. We are told by the GOI that pistachios are on a priority list to have the tariff lowered in the Doha Round. Unfortunately, the Doha Round is stalled. During the delay to the conclusion of the Doha, we have continued to urge the GOI to significantly lower the pistachio tariff.

Conclusion

In closing, I would like to leave you with the following key points:

- India's high tariff is the major impediment
- The U.S. has a dependable export supply of pistachios
- The pistachio industry urges our country to move forward and complete the Doha Round. Opportunities for a meaningful reduction in the pistachio tariff can be made through a completed Doha Round or through U.S.-India bilateral negotiations.

With reference to the questions asked by Senators Baucus and Grassley, except for the high pistachio tariff, we have not experienced any trade impediments. However, since the Senate Committee of Finance is the committee of jurisdiction for trade negotiations, please include in your Section 332 report that the proposed one third tariff reduction in the Doha Round for developing countries will not be sufficient for U.S. pistachios.

As an industry trade association, we can only do so much to encourage a sovereign nation to reduce its pistachio tariffs. Our experience of visiting with the Government of India officials and the private sector has been very rewarding. We all want to move forward. So we urge the U.S. government to strive for a significant reduction in the pistachio tariff either through the Doha Round or through bilateral negotiations with India.

ATTACHMENT A

India Imports of Pistachios from the World

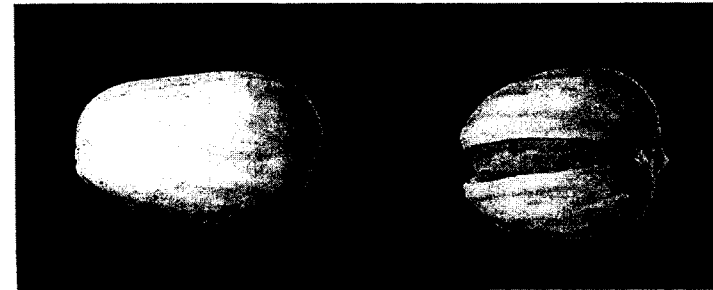
Period	Partner	Commodity	Trade Value	Net Weight (kg)
1997	World	Pistachios, fresh or dried	\$14,231,837	3,354,294
	Afghanistan	Pistachios, fresh or dried	\$875,520	157,753
	Australia	Pistachios, fresh or dried	\$115,692	17,011
	Iran	Pistachios, fresh or dried	\$12,315,426	2,979,875
	Pakistan	Pistachios, fresh or dried	\$222,164	45,109
	United Arab Emirates	Pistachios, fresh or dried	\$156,418	34,949
	United Kingdom	Pistachios, fresh or dried	\$11,055	2,375
	USA	Pistachios, fresh or dried	\$535,562	117,222
1998	World	Pistachios, fresh or dried	\$14,658,928	3,676,135
	Afghanistan	Pistachios, fresh or dried	\$1,224,399	219,960
	Iran	Pistachios, fresh or dried	\$13,135,280	3,378,562
	Pakistan	Pistachios, fresh or dried	\$33,218	5,625
	United Arab Emirates	Pistachios, fresh or dried	\$264,920	71,738
	USA	Pistachios, fresh or dried	\$1,111	250
1999	World	Pistachios, fresh or dried	\$14,724,153	4,129,776
	Afghanistan	Pistachios, fresh or dried	\$799,303	158,515
	Iran	Pistachios, fresh or dried	\$12,910,434	3,686,625
	Ireland	Pistachios, fresh or dried	\$43,321	13,000
	Italy	Pistachios, fresh or dried	\$25,193	6,812
	Pakistan	Pistachios, fresh or dried	\$140,366	26,968
	United Arab Emirates	Pistachios, fresh or dried	\$269,811	87,257
	USA	Pistachios, fresh or dried	\$535,263	150,539
	Areas, nes	Pistachios, fresh or dried	\$462	60
2000	World	Pistachios, fresh or dried	\$16,311,278	4,110,541
	Afghanistan	Pistachios, fresh or dried	\$3,551,751	683,625
	Sri Lanka	Pistachios, fresh or dried	\$20,854	36,000
	China	Pistachios, fresh or dried	\$27,687	11,250
	Iran	Pistachios, fresh or dried	\$11,837,948	3,122,000
	Kyrgyzstan	Pistachios, fresh or dried	\$6,766	4,437
	Other Asia, nes	Pistachios, fresh or dried	\$18,725	9,250
	Pakistan	Pistachios, fresh or dried	\$61,517	12,812
	Spain	Pistachios, fresh or dried	\$22,476	5,000
	Thailand	Pistachios, fresh or dried	\$23,330	3,625
	United Arab Emirates	Pistachios, fresh or dried	\$347,844	83,503
	USA	Pistachios, fresh or dried	\$388,330	136,039
	Uzbekistan	Pistachios, fresh or dried	\$4,050	3,000
2001	World	Pistachios, fresh or dried	\$21,234,229	5,680,082
	Afghanistan	Pistachios, fresh or dried	\$1,594,112	345,000

	China	Pistachios, fresh or dried	\$7,536	1,625
	Iran	Pistachios, fresh or dried	\$17,681,808	4,702,105
	Ireland	Pistachios, fresh or dried	\$5,253	1,000
	Pakistan	Pistachios, fresh or dried	\$348,844	79,898
	United Arab Emirates	Pistachios, fresh or dried	\$67,863	21,183
	Turkey	Pistachios, fresh or dried	\$1,095,519	308,437
	USA	Pistachios, fresh or dried	\$386,732	195,230
	Uzbekistan	Pistachios, fresh or dried	\$46,341	25,515
	Areas, nes	Pistachios, fresh or dried	\$221	89
2002	World	Pistachios, fresh or dried	\$17,948,573	4,854,138
	Afghanistan	Pistachios, fresh or dried	\$2,157,358	437,250
	Iran	Pistachios, fresh or dried	\$15,340,195	4,234,507
	Kyrgyzstan	Pistachios, fresh or dried	\$33,381	11,562
	Pakistan	Pistachios, fresh or dried	\$21,541	5,375
	Thailand	Pistachios, fresh or dried	\$5,733	1,000
	United Arab Emirates	Pistachios, fresh or dried	\$179,832	49,492
	Turkey	Pistachios, fresh or dried	\$59,983	24,000
	USA	Pistachios, fresh or dried	\$149,004	90,332
	Uzbekistan	Pistachios, fresh or dried	\$1,227	449
	Areas, nes	Pistachios, fresh or dried	\$319	171
2003	World	Pistachios, fresh or dried	\$29,050,188	8,380,095
	Afghanistan	Pistachios, fresh or dried	\$4,925,737	989,683
	Iran	Pistachios, fresh or dried	\$22,162,196	6,645,242
	Côte d'Ivoire	Pistachios, fresh or dried	\$29,534	12,150
	United Arab Emirates	Pistachios, fresh or dried	\$284,794	85,353
	Turkey	Pistachios, fresh or dried	\$13,901	12,525
	USA	Pistachios, fresh or dried	\$1,634,027	635,142
2004	World	Pistachios, fresh or dried	\$21,690,704	4,972,111
	Afghanistan	Pistachios, fresh or dried	\$5,762,405	1,136,360
	Iran	Pistachios, fresh or dried	\$13,938,159	3,245,977
	Italy	Pistachios, fresh or dried	\$99,526	22,900
	Kyrgyzstan	Pistachios, fresh or dried	\$9,433	9,000
	Netherlands	Pistachios, fresh or dried	\$66,470	18,000
	United Arab Emirates	Pistachios, fresh or dried	\$852,771	202,335
	Turkey	Pistachios, fresh or dried	\$33,678	10,000
	United Kingdom	Pistachios, fresh or dried	\$23,413	3,500
	USA	Pistachios, fresh or dried	\$854,374	307,152
	Uzbekistan	Pistachios, fresh or dried	\$50,476	16,887
2005	World	Pistachios, fresh or dried	\$25,351,044	4,369,019
	Afghanistan	Pistachios, fresh or dried	\$6,894,633	1,197,695
	Indonesia	Pistachios, fresh or dried	\$54,351	10,750
	Iran	Pistachios, fresh or dried	\$17,768,179	3,067,568
	Saudi Arabia	Pistachios, fresh or dried	\$55,262	7,500
	Thailand	Pistachios, fresh or dried	\$208	23
	United Arab Emirates	Pistachios, fresh or dried	\$578,327	85,469

2006	USA	Pistachios, fresh or dried	\$84	14
	World	Pistachios, fresh or dried	\$40,205,303	6,056,683
	Afghanistan	Pistachios, fresh or dried	\$3,800,249	439,882
	Iran	Pistachios, fresh or dried	\$22,270,698	3,935,316
	Malaysia	Pistachios, fresh or dried	\$299	56
	Oman	Pistachios, fresh or dried	\$941	180
	Pakistan	Pistachios, fresh or dried	\$13,233,126	1,483,288
	Saudi Arabia	Pistachios, fresh or dried	\$127	30
	United Arab Emirates	Pistachios, fresh or dried	\$828,297	162,493
	Turkey	Pistachios, fresh or dried	\$357	50
	United Kingdom	Pistachios, fresh or dried	\$32,111	5,200
	USA	Pistachios, fresh or dried	\$39,098	30,188
2007	World	Pistachios, fresh or dried	\$47,873,197	7,471,256
	Afghanistan	Pistachios, fresh or dried	\$11,447,078	1,336,505
	Iran	Pistachios, fresh or dried	\$26,780,112	4,703,918
	Malaysia	Pistachios, fresh or dried	\$38	6
	Pakistan	Pistachios, fresh or dried	\$5,525,175	576,627
	United Arab Emirates	Pistachios, fresh or dried	\$197,416	32,998
	Turkey	Pistachios, fresh or dried	\$973	200
	Ukraine	Pistachios, fresh or dried	\$222	40
	United Kingdom	Pistachios, fresh or dried	\$97,820	12,950
	USA	Pistachios, fresh or dried	\$3,824,364	808,012

Prepared by Schramm, Williams & Associates, Inc. using data from the United Nations Comtrade Database

ATTACHMENT B



IRAN



CALIFORNIA



TURKEY

California pistachios . . . quality that makes a difference.

Provided by the California Pistachio Commission.



Attachment C

Western Pistachio Association 2009 Board of Directors

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*Executive Committee Members

Attachment D

Government Pistachio Trade Accomplishments

Reduction of Pistachio Tariff in Japan

In 1981, Japan granted Iran Generalized System of Preferences (GSP), which would reduce the tariff on Iranian pistachios from 20% to zero. CPC immediately implemented a program to lobby Japan to reduce the tariff on U.S. pistachios, as well. After several trips to Japan, the tariff was reduced to zero duty and 5% on roasted.

U.S.-Israel Free Trade Agreement (FTA) 1984

CPC urged U.S. negotiators to push for an immediate zero tariff for U.S. pistachios. The negotiators did, and Israel agreed. Most other tariffs were reduced over ten years. However, Israel now imports Iranian pistachios (18% tariff), even though there is an embargo against Iran. The importers claim they are Turkish pistachios, and that they enter at zero or low duty.

U.S.-Canada FTA 1988

CPC was successful in securing an immediate zero tariff for U.S. pistachios. Most other tariffs were reduced over ten years.

U.S.-Mexico FTA 1993

CPC was successful in securing an immediate zero pistachio tariff, whereas other crops had to wait up to 5, 10, or 15 years to receive a zero tariff.

Uruguay Round 1994

The average tariff reduction in the Uruguay Round was to be 36%. CPC received a 50% reduction from the European Union and 40% from Japan.

China's WTO Membership

In order for a country to become a member of the WTO, it must make trade concessions to the WTO membership. As part of China's concession, it is phasing the pistachio tariff from 40% to 10%.

U.S.-Chilean FTA 2002

U.S. pistachios received an immediate zero tariff.

CAFTA 2004

U.S. raw pistachios received an immediate zero tariff for all CAFTA countries. U.S. roasted pistachios received an immediate zero tariff for all countries except Costa Rica. Costa Rica's current tariff is 15% and will be subject to a 10 yearr phase-out.

U.S.-Australia FTA

U.S. pistachios received an immediate zero tariff.

U.S.-Morocco FTA

U.S. pistachios received an immediate zero tariff.

ATTACHMENT E

World Production of Pistachios							
<i>(in metric tons)</i>							
Country	2001	2002	2003	2004	2005	2006	2007
Afghanistan	2,800	2,800	2,500	2,310	2,457	2,457	3,000
Iran	249,000	249,000	306,192	184,899	229,657	230,000	230,000
Syria	37,436	52,840	47,600	21,200	25,000	27,000	29,000
Turkey	30,000	35,000	90,000	30,000	60,000	110,000	78,409
United States	73,030	137,440	53,980	157,818	128,794	107,955	*188,523
Other	39,279	40,439	41,800	47,061	48,071	17,873	51,042
Total	431,545	517,519	542,072	443,288	493,979	524,112	579,974

*NOTE: Data taken from the Western Pistachio Association 2008-2009 Annual Report. An adjustment to the United Nation's world production total has been made relative to the production level listed for the United States for 2007.

Source: United Nations Food and Agriculture Organization Statistical Division

Pistachios are a naturally cholesterol-free snack that contains just 1.5g of saturated fat and 13g of fat – the majority of which comes from monounsaturated fat.

New research shows that eating pistachios may help moderate your physiological response to the stress of everyday life.

A one-ounce serving of pistachios equals 49 nuts – more per serving than any other snack nut.

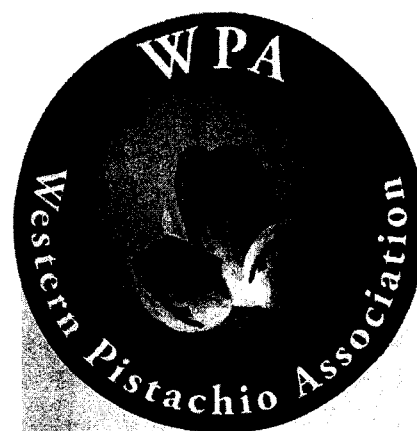
One serving of pistachios has as much potassium as half a large banana.

Pistachios contain more than 10% of the Daily Value of dietary fiber and essential vitamins and minerals like B-6, thiamin, copper and phosphorus.

You can obtain more dietary fiber from a serving of pistachios than a nectarine or a cup of prune juice, and about the same amount of fiber as an orange or apple.

Pistachios, like olive oil, primarily contain monounsaturated fat, which is known to help reduce cholesterol and triglyceride levels, and to improve blood vessel health.

Research shows that eating pistachios can help improve your ability to burn fat and maintain a healthy weight.




It's All In The Nut

In July 2003, the U.S. Food and Drug Administration (FDA) approved the much-awaited qualified health claim for nuts and heart disease prevention. The claim states, "Scientific evidence suggests but does not prove that eating 1.5 ounces per day of most nuts, such as pistachios, as part of a diet low in saturated fat and cholesterol may reduce the risk of heart disease."

US PISTACHIO FAST FACTS

- A one-ounce serving of natural, salted pistachios contains:
- 49 Heart-Healthy Nuts
- 11g of Protein
- "Good" Fat: 13g of monounsaturated fat, 1g of polyunsaturated fat
- 0 Trans Fat
- 0 Cholesterol
- 37g Carbohydrate
- 3g Dietary Fiber
- 6g Protein
- Vitamins A and E
- Calcium, Iron, Potassium, Selenium and Zinc
- 60mg Potassium
- 20% DV Vitamin E and Copper
- 15% DV Phosphorus and Thiamin
- 8% DV Magnesium

Attachment G

No phytosanitary certificate can be issued until an application is completed (7 CFR 228)		See reverse for additional OMB information.		FORM APPROVED OMB NO. 0578-0052
UNITED STATES DEPARTMENT OF AGRICULTURE ANIMAL AND PLANT HEALTH INSPECTION SERVICE PLANT PROTECTION AND QUARANTINE PHYTOSANITARY CERTIFICATE TO: THE PLANT PROTECTION ORGANIZATION(S) OF		FOR OFFICIAL USE ONLY PLACE OF ISSUE NO: FPC 0963 DATE INSPECTED /		
CERTIFICATION				
This is to certify that the plants, plant product or other regulated articles described herein have been inspected and/or tested according to appropriate official procedures and are considered to be free from the quarantine pests, specified by the importing contracting party and to conform with the current phytosanitary requirements of the importing contracting party including those for regulated non-quarantine pests.				
DISINFESTATION AND/OR DISINFECTION TREATMENT				
1. DATE		2. TREATMENT		
3. CHEMICAL (active ingredient)		4. DURATION AND TEMPERATURE		
5. CONCENTRATION		6. ADDITIONAL INFORMATION		
DESCRIPTION OF THE CONSIGNMENT				
7. NAME AND ADDRESS OF THE EXPORTER		8. DECLARED NAME AND ADDRESS OF THE CONSIGNEE		
9. NAME OF PRODUCE AND QUANTITY DECLARED		10. BOTANICAL NAME OF PLANTS		
11. NUMBER AND DESCRIPTION OF PACKAGES		12. DISTINGUISHING MARKS		
13. PLACE OF ORIGIN		14. DECLARED MEANS OF CONVEYANCE		
		15. DECLARED POINT OF ENTRY		
WARNING Any alteration, forgery, or unauthorized use of this phytosanitary certificate is subject to civil penalties of up to \$250,000 (7 U.S.C. Section 7734(b)) or punishable by a fine of not more than \$10,000, or imprisonment of not more than 5 years, or both (18 U.S.C. Section 1001).				
ADDITIONAL DECLARATION				
16. DATE ISSUED		17. NAME OF AUTHORIZED OFFICER (Type or Print)		18. SIGNATURE OF AUTHORIZED OFFICER
No liability shall attach to the United States Department of Agriculture or to any officer or representative of the Department with respect to this certificate.				

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0678-0052. The time required to complete this information collection is estimated to average .03 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

FORM APPA
OMB NO. 067

UNITED STATES DEPARTMENT OF AGRICULTURE
ANIMAL AND PLANT HEALTH INSPECTION SERVICE
PLANT PROTECTION AND QUARANTINE

FOR OFFICIAL USE ONLY

EXPORT CERTIFICATE PROCESSED PLANT PRODUCTS

PLACE:

DATE:

NUMBER:

NAME AND ADDRESS OF EXPORTER

NAME AND ADDRESS OF CONSIGNEE

MEANS OF CONVEYANCE

POINT OF ENTRY

DESCRIPTION OF CONSIGNMENT

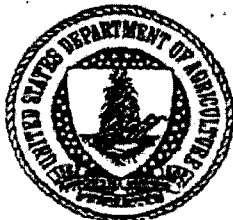
PRODUCT (Kind, Quantity, and Weight)

IDENTIFICATION

ORIGIN

WARNING: Any alteration, forgery, or unauthorized use of this certificate is subject to civil penalties of up to \$250,000 (7 U.S.C. Section 7734(b)) or punishable by a fine of not more than \$10,000, or imprisonment of not more than 5 years, or both (18 U.S.C. Section 1001).

This is to affirm that, based upon inspection of submitted samples and/or by virtue of processing received, the plant products described above are believed to be free from injurious plant pests.



NAME OF AUTHORIZED OFFICER

SIGNATURE

No liability shall attach to the United States Department of Agriculture or to any officer or representative of this Department with respect to this certificate.

PPQ FORM 975 SEP 2001 Previous edition dated FEB 2001 may be used.